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MEASURING AND MONITORING ECONOMIC AND SOCIAL DEVELOPMENT

Work of the Economic Commission for Latin America and the Caribbean on the profile of poverty in Latin America and the Caribbean

Report of the Secretary-General

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INTRODUCTION

1. The external debt crisis suffered by Latin America and the Caribbean during the 1980s dramatically eroded social conditions in the countries of the region. Family income and social public spending fell sharply. In the short term, those facts aggravated the income situation of the middle and lower classes; in the medium and long terms they hindered the elaboration of policies in fields such as education, health, housing and social security.

2. As a result, the number of households that do not have sufficient income to satisfy basic needs for food and other goods and services that depend on current income levels has substantially increased, although the number of households that do not have access to adequate housing, potable water and other basic services that do not depend so much on income in the short term has not changed much. The duration of the crisis and the decline in public expenditure have led to an increase in poverty in most of the countries in the region: the political relevance of poverty has increased and initiatives to combat it have become critically important.

3. At the beginning of the 1980s, there were not many statistics available in the region on the percentage of individuals and families living in poverty. Data that would support substantial conclusions on the origin and magnitude of the problem of poverty, as well as theories for analysing such data, were both insufficient. Nevertheless, there was clear evidence of the effects of the crisis: an increase in open unemployment and underemployment; a fall in real wages; a decline in transfers, subsidies and services provided by the State; and a fall in the level of household well-being.

4. The need to design policies to combat poverty, particularly for the benefit of those in extreme need, created a strong demand for information that would identify such individuals and where they were located, and that would reveal the socio-economic characteristics of lower-income groups. As a result, special attention was placed on monitoring the effect of structural adjustment policies designed to confront macroeconomic disequilibria, both internal and external, and on changing the style of development.

5. In that context, the majority of the countries of the region promoted important efforts to improve the availability of information in the social sphere, with an emphasis on the implementation and consolidation of permanent household survey programmes. For their part, the Economic Commission for Latin America and the Caribbean (ECLAC) and other international bodies promoted studies that have contributed to providing conceptual, methodological and empirical support for the analysis of poverty topics, concentrating on undertaking cooperative action to design policies in this area.

I. MEASUREMENT OF POVERTY

A. Methods of measurement

6. In addition to improving the conceptualization of poverty, it has also been necessary to rigorously define the complex methodological and operational questions involved in the identification of individuals and households living in poverty, a subject that has been treated extensively in many ECLAC studies. 1/ Studies of poverty in Latin American countries have generally utilized two distinct approaches, whose common characteristic is the evaluation of each household's capacity to satisfy its basic needs, on the one hand, and its effective access to specific sources of satisfaction, on the other.

7. The first approach is known as the income method and is derived from the calculation of a line of poverty that defines the minimum amount of income that would permit a household to satisfy the basic needs of its members. In accordance with the nomenclature generally used by ECLAC, households with incomes below the minimum amount are defined to be living in poverty; households with incomes so far below the minimum amount that, even if the entire sum is allocated to the purchase of food it does not adequately satisfy the nutritional requirements of family members, are defined to be living in indigency.

8. The second approach focuses on the elaboration of maps of basic unsatisfied needs (MBUN); its objective is to estimate the relative weight and characteristics of populations living in different locations in a country with certain critical deficiencies, principally in housing and access to basic services (water, sanitation and education). Naturally, the value and significance of MBUN indices depend on the criteria used in defining the deficiencies: if deficiencies are measured only when they are extreme, then data will evidently indicate an extreme deficit.

9. The simultaneous use of MBUN indices with indices that measure deficiencies in income permit accurate measurements of poverty. When both indices are low and declining, the situation is optimal; when both indices are high and increasing, there is cause for concern. In other words, the ideal situation is for households not to be deficient in either sense; the presence of either deficiency is by itself enough to render the situation undesirable. In practice, one may observe many varying degrees of poverty, ranging from households that are poor but not indigent and have some housing deficiencies to households that are indigent and have extreme housing deficiencies.

10. Once the households living in poverty are identified, their economic, social, demographic and geographic characteristics can be satisfied and analysed for the benefit of policy makers. Different deficiencies require the creation of different policies and programmes as well as the identification of groups according to occupational class, education, or rural or urban character, as well as according to other characteristics that permit the elaboration and administration of efficient policy instruments.

B. Sources of information

11. The principal information sources for the measurement and analysis of poverty in Latin America and the Caribbean, using the above-mentioned methods, are censuses of population and housing and household surveys. The information obtained from those sources is systematically evaluated for its consistency and reliability, by means of an analysis that includes information supplied from other sources. In particular, the estimates of household income and expenditures contained in the System of National Accounts are used to compare and evaluate the biases contained in the measurements generated in the censuses and surveys.

12. The design and content of census questionnaires have reached a high degree of uniformity in the region. In general, questionnaires are effective in collecting the necessary information, even though their effectiveness in the elaboration of MBUN is limited, especially with respect to information on housing and basic services, access to schooling and employment. Consequently, results are essentially comparable between countries. Moreover, the coverage of censuses supports analysis at highly disaggregated geographic levels, such as municipalities or districts, which is not always feasible for surveys, depending on the samples used. The great majority of the Latin American and Caribbean countries have completed the execution and evaluation of their 1990 population and household censuses (see tables A.1 and A.2). The availability of the latest censuses has permitted some countries (Argentina, Bolivia, Ecuador, Mexico and Venezuela) to generate MBUN, which formerly had to be constructed on the basis of the previous census, and has permitted others (Chile and Peru) to begin work on the task.

13. It is possible to distinguish at least three types of household survey, each of which serves as a basis for calculating social indicators of poverty. The first type is the multipurpose household survey, which is either a permanent programme or is undertaken periodically. This type of survey, undertaken at least once a year, generally focuses on the measurement of employment and at the same time collects information on housing and a broad range of individual characteristics (demographic, migration, education and income). In addition, most multipurpose household surveys often include special modules that are attached to the principal survey questionnaire. Special modules have become an interesting low-cost expedient and are well adapted to the requirements of investigation and research on certain themes, such as female work, education, training and access to health services.

14. The second type of household survey is the survey of income and expenditures or family budgets, which is carried out less frequently and with varying periodicity. This type of survey includes sample investigations that provide factual data useful for examining the social situation. Aside from providing certain general characteristics of individuals and households, such surveys normally contain detailed records of income and family expenditures, which provide the basis for defining the basic food baskets that are used in the estimation of poverty lines. Moreover, such surveys act as a statistical control for the seasonality of income and expenditures, since the interview of individual households occurs continuously throughout the year. This yields information of a relatively high quality, which in turn conditions the tools and

procedures of data collection, the methods of evaluation (the income-expenditure balance and checks at purchase points) and the selection of the interviewer, who is in many cases the direct informant. A study of consumer expenditures caused by specific economic policies is also often included in the conceptual framework of national accounts, especially with respect to the structure of household consumption. Unfortunately, the highly sporadic character of this type of survey (often due, inter alia, to its high cost), its generally subnational coverage and its high degree of complexity all conspire against its achieving the above-mentioned objectives and undermine its reliability. Moreover, its broad coverage makes it difficult to analyse such topics as education or housing in greater detail or to incorporate such topics as access to health services and the receipt of non-monetary public transfers.

15. The third type of household survey is the survey specially designed as a follow-up evaluation of situations of poverty in the region (as distinct from the surveys of living conditions conducted by the World Bank). Such follow-up surveys are undertaken every two or three years and they investigate with broad coverage or intensity specific topics, such as the impact that political and social programmes will have on different sectors of the population. One such survey which is having widespread influence in Latin America, is Chile's National Socio-economic Characterization Survey (NSC). In addition to the total resources or income of a household, its effective access to specific programmes of assistance (school feeding, food or housing subsidies etc.) and public services (health, education, infrastructure etc.) is also investigated in order to measure the impact and evaluate the focus of such programmes and services. Follow-up surveys also support analysis of the important characteristics of groups that benefit from the household information collected by the surveys but are not listed in each programme's administrative records.

16. Some general information on household surveys in Latin American countries and the prospects for their improvement in the near future are described below (see para. 20, in particular).

II. MAGNITUDE OF POVERTY: PRINCIPAL RESULTS

17. The most recent ECLAC estimates 2/ indicate that the proportion of the population in the region living in poverty reached 46 per cent in 1990, 3 per cent higher than the 43 per cent level registered in the mid-1980s. Between 1980 and 1990, the number of those living in poverty increased by 60 million, effectively neutralizing the progress that was achieved in the 1970s. The urban population, however, was more seriously affected than the rural population: almost 53 million of the 60 million new poor reside in urban areas. Poverty in Latin America has thus become a massively urban phenomenon, although both its relative incidence and severity still remain higher in rural areas (see table 1).

18. The tendency towards increasing poverty has slowed a little in recent years, at least for some countries of the region. According to ECLAC estimates, in the early 1990s six Latin American countries - Argentina, Bolivia, Chile, Mexico, Uruguay and Venezuela - significantly reduced their indices of poverty and indigency in both urban and rural areas (see table 2). In urban areas, the

Table 1. Magnitude of povery in Latin America, 1970-1990

	Poor a/			Indigent b/		
	Total	Urban	Rural	Total	Urban	Rural
	Percentage of total population					
1970	45	29	67	24	13	40
1980	41	30	60	19	11	33
1986	43	36	60	21	14	36
1990 c/	46	39	61	22	15	37
	Thousands of persons					
1970	119 800	44 200	75 600	63 700	19 900	43 800
1980	135 900	62 900	73 000	62 400	22 500	39 900
1986	170 200	94 400	75 800	81 400	35 800	45 600
1990 c/	195 900	115 500	80 400	93 500	44 900	48 600

Source: Economic Commission for Latin America and the Caribbean.

a/ Persons with incomes below the poverty line, including those living in conditions of indigency.

b/ Persons with incomes below the indigency line.

c/ Estimate for 19 countries of the region.

Table 2. Magnitude of poverty and indigency in 14 Latin American countries, 1970-1992

(Percentage of total population)

		Households with incomes below the poverty line a/					Households with incomes below the indigency line				
			Urban					Urban			
		Total	Total	Metropolitan zone	Urban remainder	Rural	Total	Total	Metropolitan zone	Urban remainder	Rural
Argentina											
	1970	8	5	..	..	19	1	1	..	..	1
	1980	9	7	5	9	16	2	2	1	2	4
	1986	13	12	9	15	17	4	3	3	4	6
	1990	..	..	16	..	..	..	..	4	..	..
	1992	..	..	10	..	..	..	..	1	..	..
Bolivia											
	1989	..	50	..	..	..	..	22	..	..	..
	1992	..	46	..	..	..	..	18	..	..	..
Brazil											
	1970	49	35	..	..	73	25	15	..	..	42
	1979	39	30	21 b/	34	62	17	10	6 b/	12	35
	1987	40	34	24 b/	37	60	18	13	8 b/	16	34
	1990	43	39	..	..	56	..	22	..	..	..
Chile											
	1970	17	12	..	..	25	6	3	..	..	11
	1987	38	37	33	40	45	14	13	11	15	16
	1990	36	34	30	38	36	12	11	9	13	15
	1992	28	27	22	30	29	7	7	5	8	9
Colombia											
	1970	45	38	..	..	54	19	14	..	..	23
	1980	39	36	30	37	45	16	13	10	14	22
	1986	38	36	31	37	42	17	15	11	16	22
	1990	..	35	..	..	..	..	12	..	..	..
	1992	..	38	..	..	..	..	15	..	..	..
Costa Rica											
	1970	24	15	..	..	30	6	5	..	..	7
	1980	22	16	15	17	28	6	5	5	6	8
	1986	25	21	19	22	28	8	6	5	6	10
	1990	24	22	20	25	25	10	7	5	9	12
	1992	25	25	22	29	25	10	8	7	9	12
Guatemala											
	1970	..	..	..	..	..	..	..	..	..	..
	1980	65	41	26	52	79	33	13	5	19	41
	1986	68	54	45	59	75	43	28	20	31	53
	1990	..	..	..	..	72	..	..	..	..	45

		Households with incomes below the poverty line a/					Households with incomes below the indigency line				
			Urban					Urban			
		Total	Total	Metropolitan zone	Urban remainder	Rural	Total	Total	Metropolitan zone	Urban remainder	Rural
Honduras											
	1970	65	40	..	..	75	45	15	..	..	57
	1986	71	53	..	..	81	51	28	..	..	64
	1990	75	65	..	..	84	54	38	..	..	66
	1992	73	66	..	..	79	50	38	..	..	69
Mexico											
	1970	34	20	..	..	49	12	6	..	..	18
	1977	32	.. c/	.. c/	.. c/	.. c/	10	.. c/	.. c/	.. c/	.. c/
	1984	34	28	.. d/	.. d/	45	11	7	.. d/	.. d/	20
	1989	39	34	..	..	49	14	9	..	..	23
	1992	36	30	..	..	46	12	7	..	..	20
Panama											
	1970	..	..	..	..	..	..	..	..	..	..
	1979	36	31	27	42	45	19	14	12	19	27
	1986	34	30	27	41	43	16	13	11	19	22
	1989	38	34	32	42	48	18	15	14	20	25
	1991	36	34	32	40	43	16	14	14	15	21
Paraguay											
	1986	..	..	46	..	..	..	..	16	..	..
	1990	..	..	37	..	..	..	..	10	..	..
	1992	..	..	36	..	..	..	..	13	..	..
Peru											
	1970	50	28	..	..	68	25	8	..	..	39
	1979	46	35	29	41	65	21	12	9	15	37
	1986	52	45	37	53	64	25	16	11	22	39
Uruguay											
	1970	..	10	..	..	..	4	..	..	..	..
	1981	11	9	6	13	21	3	2	1	3	7
	1986	15	14	9	19	23	3	3	2	4	8
	1990	..	12	7	17	..	..	2	1	3	..
	1992	..	8	4	12	..	..	1	1	2	..
Venezuela											
	1970	25	20	..	..	36	10	6	..	..	19
	1981	22	18	12	20	35	7	5	3	6	15
	1986	27	25	16	28	34	9	8	4	9	14
	1990	34	33	25	36	38	12	11	7	12	17
	1992	33	32	21	35	36	11	10	6	12	10

Note: Two dots (..) indicate that data are not available or are not reported separately.

(Footnotes to table on following page)

(Footnotes to table 2)

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a/ Including households below the line of indigency or extreme poverty.

b/ Combined average of Rio de Janeiro and São Paulo.

c/ Information available only on the national level.

d/ Sample size not large enough to permit estimates for the Distrito Federal.

percentage of households living in poverty in those countries fell between four and six points over a period of two to three years, while the percentage of those living in indigency fell between one and five points. In rural areas, the percentage of households living in poverty fell by three to seven points in Chile, Mexico and Venezuela. That improvement in the incidence of household poverty was accompanied by a reduction in the absolute number of poor households, as well as a significant reduction in the intensity of poverty (the so-called poverty gap).

19. Another aspect of poverty in Latin America that has been analysed in ECLAC studies 3/ is the fact that a large number of households live only just above the poverty line. With the exceptions of Argentina and Uruguay, in all the countries of the region between 10 and 15 per cent of all households have incomes of only 0.9 to 1.25 times the per capita value of the poverty line. This underscores the fact that during economic recessions or recoveries, important increases or decreases may be recorded in the incidence of poverty. Such descriptions of the different strata of poor and vulnerable households provide information relevant for the design of social policies and anti-poverty programmes.

20. The recent improvements in the incidence of poverty in the region are consistent with other indicators of social and economic development as well as with the evolution of those indicators over the last several years. For example, the above-mentioned improvements in the poverty indices of Argentina et al. mostly occurred in the context of growth in per capita production, declines in open unemployment and inflation, and an increase in the wages of important segments of the employed population.

21. The current status of poverty indicators also reveals substantial progress in the availability and accessibility of information. As will be shown below, about 75 per cent of Latin American countries regularly produce information that can serve as a basis for the accurate measurement of poverty. In addition, the geographic coverage of the data has progressively expanded to the point that in many of those countries national coverage has been achieved, while most of them have reduced the lag between the production and dissemination of data to about two years, some to even less than a year.

III. CURRENT SITUATION AND FUTURE PROSPECTS

22. Furthermore, for more than two decades, especially over the last 10 years, the countries of Latin America and the Caribbean have accumulated important experience in the conduct of household surveys.

23. Thus, it is possible to observe in recent years a progressive expansion in the number of countries that not only regularly conduct some type of survey but also conduct either continuous or periodic multipurpose household surveys (see table A.3). At the beginning of the 1990s, 17 of the 20 Latin American countries were included in this group, as well as more than half of the Caribbean countries. The remaining countries have also conducted many surveys, although these have been conducted on an occasional basis and have generally

focused on specific themes and have not been integrated into a coherent and systematically applied programme.

24. As part of this expansion, the geographic coverage of surveys has grown and the incorporation of new themes has increased, while research into other themes on a recurrent basis has intensified. As indicated in paragraph 13 above, the inclusion of special modules for the broadening and deepening of certain themes has played a very important role. In specific cases, the inclusion of special modules has been accompanied by the redesign of the basic questionnaire or at least parts of it, with the objective of continuing to adapt to changing conditions by incorporating improved techniques of research, and of perfecting the investigation of specific variables.

25. As indicated above, the size of samples has been modified to permit representativeness at the national level and at the level of major political-administrative units in order to increase the disaggregation with which it is possible to process data.

26. All this activity is normally channelled through the national statistical offices of the countries of the region, which are the governing bodies of national statistical systems and have provided the major drive for progress in statistical tasks. The few exceptions to this rule have been cases in which public organizations other than national statistical offices have been charged with conducting surveys, such as in Ecuador (Ministry of Labour and Social Security), which last year transferred its survey to its statistical office; El Salvador (Ministry of Planning and Coordination of Economic and Social Development); and the Dominican Republic (Central Bank). In the future, it will be important to continue to work to strengthen institutions and modernize national statistical offices.

27. In recent years, considerable progress has been made in the processing of information on computational infrastructure, although the quality of such processing is still inadequate in the majority of countries of the region in terms of both microcomputer equipment and statistical software.

28. But despite the great number of household surveys undertaken in the region, the levels of reliability, timeliness and comparability of data leave much to be desired. Moreover, the various surveys that have been considered are highly complementary investigations that will require a major effort in the future to increase their coherency and integration. ECLAC, the Inter-American Development Bank (IDB) and the World Bank are working to establish a technical agreement to promote, in a coordinated manner, a broad plan of support for the improvement of integrated systems of household surveys in the countries of Latin America and the Caribbean.

29. Similarly, it is clear that in the future there will be a need to increase and improve coordination between producers and users of statistics, since the users are those who ultimately define the real interest, use and scope of the statistical information obtained from household surveys.

30. In conclusion, the challenges contained in this field of activity in the countries of the region indicate a need for the adoption by more countries of

new household survey programmes, both regular and periodic, as well as for the institutional strengthening of statistical offices; the improvement of the quality, timeliness and coverage of data; and the review and eventual thematic redesign of questionnaires to incorporate a number of emerging themes that are not traditionally covered in surveys, such as measurement of the efficiency of social programmes focusing on the deterioration of employment and wages, as well as other themes that are of great interest for the programming and evaluation of policies to promote economic growth and social equity.

IV. PUBLICATIONS ON POVERTY OF THE ECONOMIC COMMISSION FOR LATIN AMERICA AND THE CARIBBEAN

31. In recent years, ECLAC has prepared a wide range of studies that focus specifically on the measurement of poverty in the countries of Latin America at given points in time. Some studies concentrate on methodological themes, others on such topics as the results of estimations, the description and analysis of poverty and its evolution, and policy proposals for combating poverty. Some examples are: "Magnitud de la pobreza en América Latina en los años ochenta" (LC/G.1653-P); "Latin America poverty profiles for the early 1990s" (LC/L.716); and "Social panorama of Latin America" (LC/G.1844). For studies that contain national diagnoses elaborated in collaboration with organizations of the respective countries, see, for example, "La pobreza en Chile en 1992" (LC/R.1351) and "Magnitud y evolución de la pobreza en México, 1984-1992" (INEGI-ECLAC, 1993).

Notes

1/ See, for example, the ECLAC studies "Magnitud de la pobreza en América Latina en los años ochenta" (LC/G.1653-P), "Una estimación de la magnitud de la pobreza en Chile, 1987" (LC/L.599), and "Ecuador: Mapa de necesidades básicas insatisfechas".

2/ ECLAC prepares periodic estimates of the magnitude of poverty in Latin American countries, which appear in such documents as its annual "Social panorama of Latin America", the 1994 edition of which (LC/G.1844) includes the most recent data available on poverty, income distribution, employment and social expenditure in the countries of the region.

3/ See, in particular, the ECLAC studies "Social panorama of Latin America" (LC/G.1844) and "Latin American poverty profiles for the early 1990s" (LC/L.716).

Annex

ADDITIONAL TABLES

Table A.1. Population and housing censuses, Latin American countries

Country	Census	Executive agency	Date of census	Type of census
Argentina	National Census of Population and Housing	Instituto Nacional de Estadistica y Censo	15 May 1991	de facto
Bolivia	National Census of Population and Housing	Instituto Nacional de Estadistica	3 June 1992	de facto
Brazil	X General Census	Instituto Brasileño de Geografia y Estadistica	1 September 1991	..
Chile	XVI National Census of Population and V of Housing	Instituto Nacional de Estadistica	22 April 1992	de facto
Colombia	XV National Census of Population and IV of Housing	Departamento Administrativo Nacional	15 October 1985	de jure
Costa Rica	Eighth Population Census	Dirección General de Estadistica y Censos	10 June 1984	de jure
Cuba	Census of Population and Housing	Comité Estatal de Estadisticas	11 September 1981	de jure
Ecuador	V Census of Population and IV Census of Housing	Instituto Nacional de Estadistica y Censos	25 November 1990	de facto
El Salvador	V National Census of Population and IV of Housing	Dirección General de Estadistica y Censos	..	..
Guatemala	IV National Census of Habitation and IX of Housing	Dirección General de Estadistica	23 March 1981	de jure

Country	Census	Executive agency	Date of census	Type of census
Haiti	Recensement General de la Population et du Logement	Institut Haïtien de la Statistique et de l'Information	September 1982	..
Honduras	National Census of Population and Housing	Dirección General de Estadistica	28 May 1988	de jure
Mexico	XI General Census of Population and Housing	Instituto Nacional de Estadistica, Geografia e Informática	12 March 1990	de jure
Nicaragua	National Census of Population	Instituto Nacional de Estadistica y Censos	20 April 1971	..
Panama	Ninth National Census of Population and Fifth of Housing	Dirección de Estadistica y Censo	13 May 1990	de facto
Paraguay	National Census of Population and Housing	Dirección General de Estadistica y Censo	26 August 1992	de facto
Peru	IX Census of Population and IV of Housing	Instituto Nacional de Estadistica e Informática	Urban: 11 July 1993 Ru: 12 to 26 July 1993	de facto
Dominican Republic	VII National Census of Population and Housing	Secretariado Técnico de la Presidencia	1993	de facto
Uruguay	VI Census of Population and IV of Housing	Dirección General de Estadistica y Censos	23 October 1985	de facto
Venezuela	XII General Census of Population and Housing	Oficina Central de Estadistica e Informática	21 October 1990	de jure

Source: Economic Commission for Latin America and the Caribbean, Division of Statistics and projections.

Note: Two dots (..) indicate that data are not available or are not reported separately.

Table A.2. Population and housing censuses, English-speaking Caribbean countries or areas

Country or area	Date of census
Aruba	7 October 1991
Bahamas	1 May 1990
Barbados	1 May 1990
Belize	12 May 1991
British Virgin Islands	12 May 1991
Cayman Islands	15 October 1991
Dominica	12 May 1991
Grenada	12 May 1991
Jamaica	7 April 1991
Netherlands Antilles	27 January 1992
Saint Kitts and Nevis	12 May 1991
Saint Lucia	12 May 1991
Suriname	1992
Trinidad and Tobago	15 May 1990

Source: Same as table A.1.

Table A.3. Household surveys, Latin America

Country	Census or survey	Executing agency	Date and periodicity	Geographic coverage	Sample size
Argentina	Survey of Household Incomes and Expenditures	Instituto Nacional de Estadistica y Censo (INDEC)	July 1985 to June 1986	Metropolitan area	2,745 expenditure units
	Permanent Survey of Households	INDEC	May and October Two per year	M.A. and 27 urban clusters	AM 1992: 3,100 households
Bolivia	Survey of Family Budgets	Instituto Nacional de Estadistica (INE)	January 1990 to January 1991	La Paz, Cochabamba, El Alto and Santa Cruz	6,093 dwellings
	Integrated Household Survey	INE	Variable Annual	8 Cap. de Departamento and El Alto	1992: 5,895 households
Brazil	Pesquisa de Orcamentos Familiares	Instituto Brasileño de Geografia y Estadistica (IBGE)	March 1987 to February 1988	Metropolitan Regs., Brasilia and Mun. Goias	Variable by regions
	Pesquisa Nacional por Amostra de Domicilios	IBGE	Fourth trimester Annual	National	IV T 1990: 73,200 households
Chile	IV Survey of Family Budgets	Instituto Nacional de Estadistica (INE)	December 1987-November 1988	Great Santiago	5,076 households
	Integrated Programme of Household Survey (PIDEH)	INE	Trimestral	National	IV T 1990: 32,523 households
	Survey of Socio-economic Matters	Ministerio de Planificación y Cooperación	1987, 1990, 1992 Novembe:	National	1992: 27,666 households
Colombia	Survey of Household Incomes and Expenditures	Departamento Administrativo Nacional (DANE)	March 1984 to February 1985	15 principal cities	28,704 dwellings
	National Survey of Households	DANE	Four per year Variable	8 P.C. Rural	15,626 households

Country	Census or survey	Executing agency	Date and periodicity	Geographic coverage	Sample size
Costa Rica	National Survey of Household Incomes and Expenditures	Dirección General de Estadistica y Censos (DGEC)	November 1987 to November 1988	National	4,884 households
	Multipurpose Household Survey	DGEC	July Annual	National	1993: 8,696 households
Ecuador	Survey of Household Incomes and Expenditures	Instituto Nacional de Estadistica y Censos (INEC)	Jul 75-June 76 Sep 78-Oct 79	Urban Rural	9,606 dwellings 4,200 dwellings
	Household Survey: Family Budget Module	INEC	September to November 1991	Urban	5,039 households
	National Urban Employment, Unemployment and Underemployment Survey	Instituto Nacional del Empleo e INEC	Variable Annual	Urban	July 1993: 4,491 dwellings
El Salvador	National Survey of Urban Household Incomes and Expenditures	Ministerio de Planificación y Coordinación del Desarrollo Económico y Social	April 1990 to April 1991	Urban	3,536 dwellings
	Multipurpose Household Survey	MIPLAN	Variable Annual	Urban 1992: National	1991: 5,321 households
Guatemala	National Survey of Family Income and Expenditures	Dirección General de Estadistica	November 1979 to August 1981	National	9,688 households
	Metropolitan Employment Survey	Instituto Nacional de Estadistica	Variable Variable	Metropolitan area	1990: 1,038 households
Haiti	Household Expenditure Survey	Institut Haïtien de la Statistique et de l'Information	1976	Metropolitan area of Puerto Principe	..
Honduras	Survey of Incomes and Family Expenditures	Dirección General de Estadistica (DGEC)	1978-1979	Urban	..
	Multipurpose Permanent Survey of Households	DGEC	March and September Two per year	National	Sep. 1992: 4,757 households

Country	Census or survey	Executing agency	Date and periodicity	Geographic coverage	Sample size
Mexico	National Survey of Household Incomes and Expenditures	Instituto Nacional de Estadistica, Geografia e Informática (INEGI)	1992	National	4 T 1992: 13,550 dwellings
	National Survey of Urban Employment	INEGI	Trimestral	Urban	3 T 1992: 38,388 households
Nicaragua	Survey of Incomes and Family Expenditures	Instituto Nacional de Estadistica y Censos (INEC)	May 1984 to June 1985	Managua	..
	Multiple Purposes Survey of Households	INEC	1993	National	..
Panama	Survey of Conditions of Family Life	Dirección de Estadistica y Censo (DEC)	April 1983 to March 1984	Panama City	1,070 dwellings
	Survey of Manual Labour	DEC	August (1 per year)	National	1991: 8,867 households
Paraguay	Survey of Family Budgets	Banco Central	1979	Asunción and nine cities in the interior	..
	Survey of Household Manual Labour	Dirección General de Estadistica y Censo	Variable Annual	Metropolitan area	1992: 1.052 households
Peru	Survey of Household Incomes and Expenditures in the Lima Metropolitan Area ENAPROM III	Instituto Nacional de Estadistica e Informática (INEI)	1988	Metropolitan area of Lima and Callao	352 dwellings
	ENAPROM IV	INEI	Feb. to Dec. 1989	Metropolitan area of Lima and Callao	..
	Survey Follow-up of Consumption ENSECO	INEI	1990 Variable	Metropolitan Lima	3 Tri: 648 dwellings
	National Survey of Household on the Measurement of Levels of Life ENNIV	INEI	1985 to 1986	National	5,024 dwellings

Country	Census or survey	Executing agency	Date and periodicity	Geographic coverage	Sample size
	Survey of Levels of Life ENNIV-90	Banco Mundial e Instituto CUANTO S.A.	June and July 1990	Metropolitan Lima	..
	National Household Survey of Levels of Life ENNIV-91	Banco Mundial e Instituto CUANTO S.A.	October and November 1991	National	..
Dominican Republic	National Survey of the Labour Force	Banco Central	From 1991 Two per year	National	..
Uruguay	Survey of Households Incomes and Expenditures	Dirección General de Estadistica y Censos	August 1982 to September 1983	Montevideo and five cities in the interior	2,010 dwellings
	Continuous Survey of Households	Instituto Nacional de Estadistica	Semestre Two per year	Urban	2 S 1992: 9,282 households
Venezuela	Survey of Family Budgets	Oficina Central de Estadistica e Informática (OCEI) y Banco Central	April 1988 to March 1989	Urban (Loc. of 10,000 and more inhabitants)	..
	Survey of Households by Sample	OCEI	Semestre Two per year	National	2 S 1992: 62,775 households

Source: Same as table A.1.

Note: Two dots (..) indicate that data are not available or are not reported separately.

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MEASURING AND MONITORING ECONOMIC AND SOCIAL DEVELOPMENT

The implications for statistics of the World Summit for Social Development

Note by the Secretary-General

The Secretary-General has the honour to transmit to the Statistical Commission the report of the Central Statistical Office of the United Kingdom of Great Britain and Northern Ireland on the implications for statistics of the World Summit for Social Development, which is contained in the annex. The report is transmitted to the Commission in accordance with a request of the Working Group on International Statistical Programmes and Coordination at its seventeenth session (E/CN.3/1995/2, para. 61).

* E/CN.3/1995/1.

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Annex

REPORT OF THE CENTRAL STATISTICAL OFFICE OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND ON THE IMPLICATIONS FOR STATISTICS OF THE WORLD SUMMIT FOR SOCIAL DEVELOPMENT

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INTRODUCTION

1. As the twenty-eighth session of the Statistical Commission draws to a close, heads of State and Governments will be gathering in Copenhagen to take part in the first ever World Summit for Social Development. The aim of the Summit is to address the profound social problems - especially poverty, unemployment and social exclusion - that affect every country.

2. What are likely to be the implications of the World Summit for the statistical community? Each country's social development goals and agenda for achieving those goals will be different. Each statistical service will be responsible for developing and implementing the statistical tools required for monitoring and evaluating progress towards those goals. It is not the aim of the present report to address the issues that the Social Summit will pose for statisticians at the national level; rather, it aims to suggest areas for action at the international level.

3. One of the suggested elements of implementation and follow-up action is that international support for the formulation of national strategies for social development, in order to facilitate monitoring and policy analysis, should include bilateral and multilateral agencies taking action to develop improved concepts and programmes for the collection and dissemination of social statistics and indicators. More specifically there is a need to strengthen the capacity of the United Nations system for gathering and analysing information and developing indicators of social development which would clearly involve the participation of the Statistical Commission.

4. This development comes at a time of revived interest in the development of social statistics in a number of forums, such as the Sienna Group, which met for the first time in June 1994 to discuss the state of the art in social statistics and to set an agenda for future action, mainly in a European context.

5. International action is appropriate either when it can provide value added for individual Member States in setting their own work programmes or where there is a need to monitor developments world wide. Before considering the particular implications of the World Summit, it may be useful to consider what has characterized successful international action on statistics in the past in order to identify the areas on which it would be most worthwhile for the Statistical Commission to concentrate.

6. Action seems to have been most productive in the following areas:

(a) Systems of classification and definition, particularly where there is a clear requirement by users for international comparisons (for example, the International Standard Industrial Classification of All Economic Activities (ISIC), the System of National Accounts (SNA), and the definitions of employment and unemployment developed by the International Labour Organization (ILO));

(b) Collation and dissemination of statistics required for international comparison (for example, statistical compendia, such as The World's Women 1970-1990: Trends and Statistics); a/

(c) Development and dissemination of methodological material in order to avoid countries having to recreate such material from scratch (for example, United Nations handbooks on household surveys, price indices and other subjects).

7. It is against this background that the themes below are described. They are not developed in any depth; the Statistical Commission is not the right forum for that. However, participants are requested to express their views on which of the themes should be followed up over the next two years and how that might be accomplished.

I. KEY THEMES FOR CONSIDERATION BY THE STATISTICAL COMMISSION

8. The declaration and programme of action of the World Summit for Social Development are of course not yet finalized. However, in the draft declaration and programme of action (A/CONF.166/PC/L.13, annex), the table of contents to which is contained in the appendix to the present report, it is already possible to identify a number of key areas for development. The background for each of those key areas is described in sections III to IX below.

9. The suggested areas for development and action are:

(a) Research into the feasibility of constructing a broad statistical framework to reflect the multidimensional nature of poverty;

(b) Development of classifications and survey methodology for measuring time use;

(c) Increased development and exploitation of longitudinal surveys, and sharing of best practice;

(d) Development of guidelines on methodology for the collection of attitudinal data;

(e) Development of an internationally comparable definition of the family as a unit of analysis;

(f) Extension of the approach of The World's Women to the statistics of other vulnerable groups;

(g) Giving higher priority to the development of social statistics in technical cooperation programmes.

10. Such actions may be advanced by, inter alia, the establishment of expert groups to share experience and develop guidelines for use by countries; the commissioning of methodological research to benefit United Nations Member States; the introduction of new publications; and the inclusion of some of the above-mentioned topics in the work programmes of the Statistical Division of the United Nations Secretariat (UNSTAT) and/or the specialized agencies or other relevant bodies.

II. SOCIAL INDICATORS: CAN THEY BE REVIVED?

11. The draft programme of action calls attention to the need for:

(a) Developing and disseminating indicators of poverty and vulnerability, including indicators of income, hunger, malnutrition, health, homelessness and other factors, as well as indicators of the causal factors underlying poverty;

(b) Strengthening labour-market systems; developing appropriate data and indicators on employment and unemployment, and sharing information concerning labour markets, including work situations outside formal markets.

12. It is tempting to conclude that the response to the above-mentioned requirements should be to revive the work of the social indicators movement of the 1970s. But would that be productive? What can be learned from the past?

13. Social indicators have not on the whole had a successful history. The United Nations issued guidelines on social indicators b/ in 1978, while the Organisation for Economic Cooperation and Development (OECD) issued The OECD List of Social Indicators c/ in 1982. However, the OECD Social Indicators Programme experienced enormous difficulty in reaching a consensus on the choice of indicators, and the comprehensive survey which was its logical conclusion was never initiated, although similar surveys were set up in a number of countries and many countries currently publish social indicators according to national needs. The concept of compiling internationally comparable social indicators has recently been revived by the Statistical Office of the European Community (Eurostat) for the European Union (EU). But to contemplate a world-wide initiative of that kind would be unrealistic because such an initiative would be both impractical and expensive.

14. There may be a case, however, for revisiting some of the issues addressed by the social indicators movement of the 1970s: the two policy areas mentioned in paragraph 11 above that the draft programme of action indicates have a need for the development of indicators could provide a focus for exploring where international action might be fruitful.

III. ERADICATION OF POVERTY

15. Despite an enormous amount of research and literature generated over many years, the definition and measurement of poverty remains an area of contention and continued debate. The draft declaration clarifies the multidimensional nature of poverty, but even in the narrow confines of income distribution measurement there is no consensus on precise concepts and definitions. Thus, even when statistics are published that purport to have international comparability, the user has only to examine the detail of national sources and methods to find that that comparability is only superficial.

16. Should the international statistical community accept that it is impossible to produce internationally comparable income distribution statistics? In other words, should it accept that income poverty can only be defined in national terms against the background of national concepts and definitions?

17. Should effort instead be directed to developing a more wide-ranging framework that takes into account the multidimensional nature of poverty? Such a framework would need to measure deprivation of the components of well-being, such as sufficient food, good health and adequate shelter, but should also extend to measuring the risk of suffering such deprivation by including measures of vulnerability. And it would have to be people-based, which would argue for concentration on direct measures of social conditions and of outcomes. However, the draft declaration also calls for developing indicators of the causal factors underlying poverty, which would involve supplementing such direct measures with measures of the circumstances and factors that influence deprivation and vulnerability.

18. But the history of attempts to construct such all-embracing frameworks of social statistics is not an encouraging one. It might be instructive to try to analyse why the publication Towards a System of Social and Demographic Statistics, d/ although it is almost universally acknowledged as a brilliant pioneering report, has had so little impact on social statistics as we know them today. Was its approach just too complex? Or was it a lack of basic statistics that hampered its practical development? Whatever the reasons, it is important that any future work in developing such frameworks should take full account of the practicability of implementation in countries at all stages of statistical development.

IV. PRODUCTIVE EMPLOYMENT AND THE REDUCTION OF UNEMPLOYMENT

19. It can be argued with some justification that as a result of the work of the United Nations on systems of classification, concepts and definitions, and methodology, in particular the work of the ILO, much of the framework already exists for providing policy makers and other users with the tools that they will need to measure progress towards the labour-market goals contained in the draft programme of action.

20. At least the framework exists in relation to paid employment in the formal sector. But the draft programme of action also indicates that there is much productive work of great social importance that is not remunerated and that efforts are needed to facilitate the combination of such work with formal economic life through flexible working arrangements, thus broadening the very concept of productive work and employment and in fact altering the production boundary. The issues involved here are not simply of a technical nature but raise fundamental questions of economic theory and principles. They have been a focus of the Inter-Secretariat Working Group on National Accounts throughout its deliberations and continue to be on the research agenda of the ILO. If the draft programme of action is adopted, it is likely to give added impetus to this work. Irrespective of whether the production boundary is eventually shifted, however, it seems certain that there will be a growing demand to supplement measures of activity in the formal labour market with broader-based measures.

21. It is generally recognized that the valuation of work currently regarded as non-market requires the collection and analysis of time-use data. Indeed, it can be argued that the move towards more flexible work patterns, even in the

formal labour market, means that traditional methods for measuring employment and hours of work will be less able to provide an accurate picture of activity.

22. Within the developed countries, a considerable amount of research and development work has been carried out into the design and analysis of time-use data. Such applications are equally relevant for developing countries, in which the informal-formal distinction is of greater importance.

23. Moreover, time-use data have many applications beyond the measurement of work; they may also throw light on gender issues and on social interaction and integration.

V. MEASURING CHANGE

24. Social development means social change, so that to measure progress towards social development goals means to measure such change over time. But social statistics, whether derived from surveys or from administrative records, do not have a good reputation for reliability in the measurement of change. Time-series analysis can be complicated by changes in definition and classification: many surveys are of an ad hoc nature and even when surveys are continuous, the drive to make improvements may result in discontinuities.

25. There are inherent problems in the use of cross-sectional data for time-series analysis. For example, although the proportion of people with incomes below a particular threshold may be an important social statistic, the interpretation of changes over time in such a statistic may vary considerably, depending on whether the same people fall into that category over a period of years, that is, depending on whether low income is a transient or persistent phenomenon. Such considerations are leading countries to look towards the added dimension that longitudinal surveys can provide.

26. The measurement of social variables over time has for many years been a key element in the monitoring and evaluation of development projects, in which a baseline survey establishes the situation before developmental inputs, progress is monitored through follow-up surveys and further data collection takes place to assess the project's overall impact. A cohort approach is often at least attempted.

27. Such surveys tend to be the province of the social researcher rather than the statistician: they are designed to provide information on a small geographic area or for a particular group of people rather than to provide nationally representative information. But perhaps that approach needs to be re-examined by national statistical services to see what lessons it may have to offer.

VI. FACTS VERSUS PERCEPTIONS

28. The starting-point of the OECD Social Indicators Programme was the concept of social well-being. It can be argued that such a concept is as much subjective as it is objective. Yet, of the 33 indicators in the final list of the Programme, only one was subjective - fear for personal safety.

29. National statistical services have generally shied away from collecting data on social attitudes; the attitudinal data that exist are generally collected by market researchers or other private institutions. In contrast, information collected from businesses about perceptions of their economic prospects is in many countries the responsibility of the national statistical service.

30. Social statisticians seem to have balked at the idea of gathering data by asking such questions as "Do you feel poor?" Such statistics are usually regarded as "soft" and therefore of less value than "hard" data on the cash income available to an individual. The result is that there has been little international debate about frameworks, definitions and methodology for collecting attitudinal data. Yet accepting that subjective measurement can usefully supplement objective measurement might enable indicators to be constructed that are less vulnerable to cultural and developmental differences among countries. It would also help prevent the value judgements of those collecting the statistics from influencing the choice of indicators.

VII. THE FAMILY AS A UNIT OF MEASUREMENT

31. The three basic units of measurement in social statistics are the household, the family and the individual. There is little scope for different definitions of an individual and much work has been done by the United Nations and others to define the household. However, it is the family that the draft declaration suggests should be the basic unit of society, and much less work has been done to research an internationally operational way of designing a typography for the family that could be used for statistical purposes.

VIII. SOCIAL REPORTING

32. The United Nations has had considerable success with the publication of The World's Women and there have been similar publications in the past on other social groups, such as children and youth. There is no doubt that such publications provide a very powerful way of presenting the situation of vulnerable groups in the population. Why not develop a permanent publication programme to cover these and other groups, such as indigenous people as minority groups, the disabled and the elderly?

IX. THE NEED FOR TECHNICAL COOPERATION

33. The themes suggested above are ones in which all members of the Statistical Commission have a shared interest. However, throughout the draft declaration and programme of action there is a recognition of the special needs for social development that exist in the least developed countries. It is true to say that the emphasis on economic development of the last 50 years has inevitably led to priority being given to the development of economic rather than social statistics, particularly in those countries. In recent years, the multilateral agencies have paid greater attention to the need for social data in initiatives such as the United Nations National Household Survey Capability Programme and the World Bank Social Dimensions of Adjustment Programme and Living Standards Measurement Study; the bilateral agencies have done so only to a limited extent. The draft programme of action implies a need to place greater emphasis in the future on social statistics so as to support social development policies.

34. Technical cooperation is important but it is not sufficient; statistical development programmes also require resources to enable their implementation. The international community needs to consider how the costs of data collection can be supported during the initial stages of any programme so as to ensure its sustainability.

Notes

a/ Statistical Papers, Series K, No. 8 (United Nations publication, Sales No. E.90.XVII.3).

b/ Social Indicators: Preliminary Guidelines and Illustrative Series, Statistical Papers, Series M, No. 63 (United Nations publication, Sales No. E.78.XVII.8).

c/ Paris, OECD, 1982.

d/ Statistical Papers, Series F, No. 18 (United Nations publication, Sales No. E.74.XVII.8).

Appendix

TABLE OF CONTENTS OF THE DRAFT DECLARATION AND PROGRAMME OF ACTION TO BE ADOPTED AT THE WORLD SUMMIT FOR SOCIAL DEVELOPMENT a/

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a/ See A/CONF.166/PC/L.13, annex.